

DELAINE EASTIN

State Superintendent of Public Instruction

April 11, 2000

Dear County and District Superintendents:

Are you fully involved in the two programs that provide significant discounts on telephone and telecommunications costs? If not, please consider the information below.

- (1) To start the California Teleconnect Fund (CTF) process, which provides approximately 50% discounts on most common telephone lines and data circuits, you need only to inquire about it through your local telephone carrier.
- (2) To start the federal E-rate process, you should have your technology plan approved by your County Office of Education (COE). Additionally, each COE has a designated E-rate lead who can advise you on your application process. There are application "windows" and several forms to manage, but the savings are significant, especially in the schools with a high number of students eligible for the national lunch program. The E-rate program has brought approximately \$430 million in committed discounts to public schools in California in its first two program years, through June 30, 2000. Another discount cycle is approaching in the fall. Are you ready to get your discount?

On the horizon: The CDE, in collaboration with COEs and others, is planning training and other E-rate help in the upcoming months. Watch our web site for more information (<http://www.cde.ca.gov/erate/>).

If you are involved in these programs, please consider the information below.

An important aspect of E-rate and CTF discounts is how the savings are handled by each local education agency (LEA). If E-rate and CTF participants disperse the savings from discounts (principally recurring costs, such as savings on telephone bills and data circuits) into budget areas other than education technology, two dangers arise. One, the applicant may grow accustomed to "living at a discount level" with no budgetary mechanism to revert to non-discounted costs in the event discounts end. Two, if the E-rate audit process reveals that there are insufficient locally-funded resources to utilize the discounted goods and services, discounts may be denied.

Budgeting considerations: The CDE's advice is that the best use of savings realized by those participating in the E-rate or CTF discount program requires two components. (1) Take measures to ensure that if the discounts stop there will be sufficient locally-available funds to maintain the level of access to connectivity stated in the your technology plans. (2) Take measures to ensure that **savings are directed back into education technology** so that sustainability and growth of the system can continue as stated in your technology plans.

As you move forward with E-rate and CTF, please feel free to contact CDE's Van Wilkinson at (916) 323-4709 (vwilkins@cde.ca.gov) in our Education Technology Unit.

Sincerely,

DELAINE EASTIN
State Superintendent of Public Instruction

Susan Lange, Deputy Superintendent
Finance, Technology, and Administration Branch

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